## **FISCAL UPDATE Article**

Fiscal Services Division May 9, 2018



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## END OF SESSION – SF 2366 – VETERANS AFFAIRS COMMISSION AND TRUST FUND EXPENDITURES ACT

**Description.** Senate File 2366 makes the following changes to the Department of Veterans Affairs (IDVA):

- Increases the membership of the Commission of Veterans Affairs by two members. The additional representatives will be:
  - A member of the Paralyzed Veterans of America.
  - A member of the Iowa Association of County Commissioners and Veterans Service Officers.
- Permits nonrepayment of expenditures from the Iowa Veterans Trust Fund for cemetery grant development services provided by the Department of Administrative Services.
- Increases the spendable amount of revenue from the lowa Lottery Authority. Currently, the lowa Lottery Authority annually transfers \$2.5 million in gaming profits to the Veterans Trust Fund. Of that amount, \$300,000 is made available to be spent on benefits for veterans or their families. <a href="Senate File 2366">Senate File 2366</a> permits \$500,000 to be made available for awards.
- Adds the following two new assistance categories from the Veterans Trust Fund benefits:
  - Rental housing assistance for veterans who meet the federal definition of homeless. Awards can cover application fees needed for obtaining rental housing.
  - Up to \$1,000 in one-time assistance for expenditures associated with preventing homelessness.
    Possible services covered could include paying fees for new copies of birth certificates, social security cards, rental security deposits, and other incidentals. The finalized version of covered services will be further defined by the IDVA in the lowa Administrative Code.

**Fiscal Impact.** Increasing the spendable portion of the Lottery transfer by \$200,000 will permit more assistance awards to be granted from the Veterans Trust Fund. Under current law, the Fund is estimated to reach \$50.0 million by FY 2028. Under <u>Senate File 2366</u>, that goal is estimated to be achieved by FY 2029, one year later. During that time frame, an additional estimated \$2.2 million will potentially be available to be awarded.

Increased award categories will have minimal fiscal impact and will be limited to available funding.

**Enactment Date.** The Act was approved by the General Assembly on March 19, 2018, and signed by the Governor on April 2, 2018.

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